

H&T GROUP PLC

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H&T Group reviewing its high-cost short-term credit policies

Pawnbroker H&T GROUP PLC (LON:HAT) has ceased all high-cost short-term credit (HCSTC) loans pending a review of its creditworthiness assessments and lending processes. The company revealed it is working closely with the Financial Conduct Authority (FCA) on a review of aspects and files of H&T's unsecured loans business in light of changes to the regulations in 2018.

H&T said the review by the FCA will result in changes to the policies and procedures surrounding the company's provision of HCSTC loans.

HCSTC loans is a small but not insignificant part of H&T's business that has contributed less than 4% to the group's revenues in 2019 but it is possible that the company will have to compensate customers as a result of the review; H&T anticipates being able to fund any redress from its existing financial resources.

H&T is looking at the HCSTC unsecured lending practices over the past six years as part of this review. The average HCSTC unsecured portfolio over the period has been £3mIn with a peak in December 2016 of £4mIn and has now reduced to £3mIn. There were total customer interest payments of £24mIn over this period. Revenue after adjusting for impairments over this period totalled £11mIn.

Notwithstanding the issues raised by the review, H&T continues to trade well and in line with the dynamics set out in its statement at the end of September.

Price: 360

Market Cap: £143.05 m

1 Year Share Price Graph



Share Information

Code: HAT

Listing: LSE

52 week High Low
415.35 193

Sector: Retail

Website: handt.co.uk

Company Synopsis:

H&T Pawnbrokers began serving communities in London in 1897. Since then we have expanded to become one of the oldest and leading pawnbrokers in the UK. On 8th May 2006, H&T floated on the Alternative Investment Market (AIM). Since 2006, H&T has accelerated its development by adding new products and services, expanding the store network and developing a complete online service.

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